

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
Richmond Division

In re:) Chapter 11
)
CIRCUIT CITY STORES, INC., et al.,) Case No. **08-35653**
)
Debtors.) Jointly Administered

**DECLARATION OF JUDY M. SORENSON IN SUPPORT OF
MOTION OF SLAM BRANDS, INC. FOR ORDER DIRECTING
DEBTORS TO PAY ADMINISTRATIVE EXPENSES PURSUANT TO
11 U.S.C. §§ 503(b) AND 507(a) AND REQUEST FOR RELATED RELIEF**

I, JUDY M. SORENSON, declare under penalty of perjury pursuant to 28 U.S.C. § 1746
that the following statements are true and correct:

1. I am over eighteen years of age and competent to testify as to the facts stated
herein. I am currently the Chief Financial Officer (“CFO”) for Slam Brands, Inc. (“Slam
Brands”), and I have held this position since January 2009. Between September 2008 and
January 2009, I was an independent contractor for Slam Brands, and in that capacity I performed
substantially the same duties I now perform as CFO.

2. I make this affidavit from my own personal knowledge and from Slam Brands’
business records. These records were made at or near the time by, or from information
transmitted by, persons with knowledge, and were made and kept in the course of regularly
conducted business activity by Slam Brands.

3. Slam Brands designs and imports audio/visual furniture. Slam Brands provides
its products, along with distribution options and after-market support, to various retailers. Slam
Brands offers products under its own brands as well as under store brands. Slam Brands

Troy Savenko (Va. Bar No. 44516)
Leslie A. Skiba (Va. Bar No. 48783)
GREGORY KAPLAN, PLC
7 East Second Street (23224-4253)
Post Office Box 2470
Richmond, Virginia 23218-2470
Phone: (804) 423-7921
Facsimile: (804) 230-0024

Mark D. Northrup (Not Admitted in Va.)
Brad A. Goergen (Not Admitted in Va.)
GRAHAM & DUNN, PC
Pier 70 ~ 2801 Alaskan Way Suite 300
Seattle, Washington 98121-1128
Telephone: (206) 624-8300
Facsimile: (206) 340-9599

provided Circuit City with products labeled with the Circuit City brand “Verge,” as well as products labeled with a Slam Brands brand.

4. In October of 2008, Slam Brands and Circuit City Stores, Inc. (“Circuit City”) negotiated an agreement whereby Slam Brands would provide certain audio/visual furniture to Circuit City for retail sale. This agreement was memorialized in: (i) a Product Addendum between Slam Brands and Circuit City, dated March 1, 2008, pertaining to non-Verge products (“Product Addendum 1”); (ii) and a Product Addendum between Slam Brands and Circuit City, dated October 16, 2008, pertaining to Verge products (“Product Addendum 2”) (Product Addendum 1 and Product Addendum 2 are collectively, the “Product Addenda”). True and correct copies of the Product Addenda are attached hereto as Exhibit 1 and Exhibit 2.

5. The Product Addenda supplemented a Master Dealer Agreement between Slam Brands and Circuit City, dated March 1, 2008. A true and correct copy of the Master Dealer Agreement is attached hereto as Exhibit 3.

6. On November 7, 2008, Circuit City issued purchase order #2187613 to Slam Brands. The purchase order was for \$78,368.00 of goods and was subject to Product Addendum 1. On December 29, 2008, Slam Brands issued invoice #14354 for the delivery of these goods. True and correct copies of purchase order #2187613, invoice #14354, and proof of delivery are attached hereto as Exhibits 4A, 4B, and 4C. Slam Brands agreed to process purchase order #2187613 post-petition, after Circuit City implemented certain procedures for the post-petition payment of unsecured sales. Specifically, Circuit City was to pay invoices for Slam Brands-branded products within fifteen days; Circuit City was to pay invoices for Verge-branded products through a letter-of-credit arrangement.

7. On December 11, 2008, Circuit City issued purchase order #2226766 to Slam Brands. The purchase order was for \$58,655.36 of goods and was subject to Product Addendum 1. On December 29, 2008, Slam Brands issued invoice #14524 for the delivery of these goods.

True and correct copies of purchase order #2226766, invoice #14524, and proof of delivery are attached hereto as Exhibits 5A, 5B, and 5C.

8. On December 12, 2008, Circuit City issued purchase order #2227394 to Slam Brands. The purchase order was for \$89,224.12 of goods and was subject to Product Addendum 2. On December 31, 2008, Slam Brands issued invoice #14546 for the delivery of these goods. True and correct copies of purchase order #2227394, invoice #14546, and proof of delivery are attached hereto as Exhibits 6A, 6B, and 6C.

9. On December 12, 2008, Circuit City issued purchase order #2227393 to Slam Brands. The purchase order was for \$113,778.28 of goods and was subject to Product Addendum 2. On January 15, 2009, Slam Brands issued invoice #14961 for the delivery of these goods. True and correct copies of purchase order #2227393, invoice #14961, and proof of delivery are attached hereto as Exhibits 7A, 7B, and 7C.

10. A summary of these purchase orders and invoices is attached hereto as Exhibit 8.

11. The goods provided in response to Circuit City's purchase order #2187613, #2227394, and #2227393 were branded with the Circuit City store brand Verge. The goods provided in response to Circuit City's purchase order #2226766 were branded with Slam Brands' own brand.

12. Slam Brands has sought payments for the four invoices from Circuit City pursuant to the terms of the Product Addenda. But as of the date of this declaration, Circuit City has refused to pay as agreed. Circuit City has not made payments for the Slam Brands-branded products (which were due within fifteen days); Slam Brands' submissions under the letter-of-credit arrangement for payment for Verge products were denied for hyper-technical reasons, and Circuit City has thereafter refused to pay the invoices.

13. The goods purchased by Circuit City post-petition total \$340,025.76. But pursuant to the Product Addenda, Circuit City is entitled to a payment discount in the amount of

\$5,608.17. After deducting the payment discount, Circuit City owes Slam Brands \$334,417.60 on account of post-petition goods purchased by Circuit City.

I declare under the penalty of perjury under the laws of the United States pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct, and that I executed this declaration in Redmond, Washington on the date indicated below.

DATED this 23rd day of June, 2009.

By: /s/ Judy Sorenson
Judy M. Sorenson
Chief Financial Officer
Slam Brands, Inc.